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FACT SHEET

Trade and Accession Facilitation for Afghanistan (TAFA)

OVERVIEW

USAID's TAFA project generates economic growth, trade, and investment by improving the conditions for international trade and transit. The project helps the Government of the Islamic Republic of Afghanistan (GIRoA) and the private sector to capitalize on greater regional and global trade linkages and export-oriented business development through assistance in four categories 1) trade-policy liberalization; 2) customs reform; 3) trade facilitation; and 4) public outreach on trade-related issues. The project supports regional coordination with a program in Pakistan.

The project increases transparency and customs revenue to the central treasury, improves Afghanistan's ranking on the World Bank's *trading across borders* indicator as part of the annual *Doing Business* survey, increases trade volumes in both agriculture and non-agriculture sectors, and increases understanding of and support for a liberal trade regime by the business community and the public.

CURRENT ACTIVITIES

- Develop GIRoA capacity to prepare for, negotiate, and implement trade agreements for agriculture and non-agriculture sectors
- Improve GIRoA inter-ministerial coordination of trade and tariff policy
- Reform customs laws and procedures, revenue collection, information management, budget, organizational structure, and human resource policy, including training in new trade agreements, laws and other reform measures
- Reduce time and expense of customs clearance, transport, transshipment, and other border crossing operations for exports and imports, and reducE corruption opportunities
- Improve capacity to collect and analyze trade-related data to inform policy decisions
- Improve Afghanistan's ranking on the trading across borders indicator of the annual World Bank Doing Business survey
- Improve export market opportunities through development and adoption of international standards, quality control for export products, and linkages to export promotion assistance
- Support trade facilitation zones, along with implementation of expected U.S. reconstruction opportunity zone-trade preferences
- Improve business community knowledge of trade policies and opportunities, and involvement in trade policy development
- Construct a one-stop shop for exporters, opening in January 2011, to improve export efficiency

ACCOMPLISHMENTS

- Assisted GIRoA to resolve key policy and technical bottlenecks and sign the historic Afghanistan-Pakistan Trade and Transit Agreement, and win parliamentary ratification of the South Asia Free Trade Agreement
- Increased transparency and reduced obstacles to trade, including areas such as customs, transport/transit, and border crossing operations
- Identified revenue leakages and increased transparency and customs revenue collection
- Adopted a five-year strategy for development of international product and safety standards and quality control for exports
- Increased volumes of trade in both agriculture and non-agriculture sectors
- Increased business and public understanding of, and support for a liberal trade regime
- Completed World Trade Organization accession master plan for Afghanistan, and the WTO questions and answers submitted to the WTO secretariat